Department of Defense
Business Management Modernization Program (BMMP)

Installations & Environment Domain

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ODUSD (Installations & Environment)

CADD/GIS Technology Center

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Fact: Joint Warfighting <u>Can</u> Work

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Business Transformation is Critical to DoD Success

"We simply have to transform this place. It is every bit as important to the success of the global war on terrorism as the other things we're doing."
                    -Secretary of Defense Donald Rumsfeld

"The Department of Defense will be managed in an efficient, business-like manner in which accurate, reliable, and timely financial information, affirmed by clean audit opinions, is available on a routine basis to support informed decision-making at all levels throughout the department."
                    -Secretary of Defense Donald Rumsfeld

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But The Need for Change is Clear

- Services and Agencies have individual processes and over 2000 supporting systems that focus primarily on their own operations
- Results are:
  - Costly, redundant and inefficient management of DoD resources
  - Accurate, reliable, timely, and informed management decision-making not supported DoD-wide
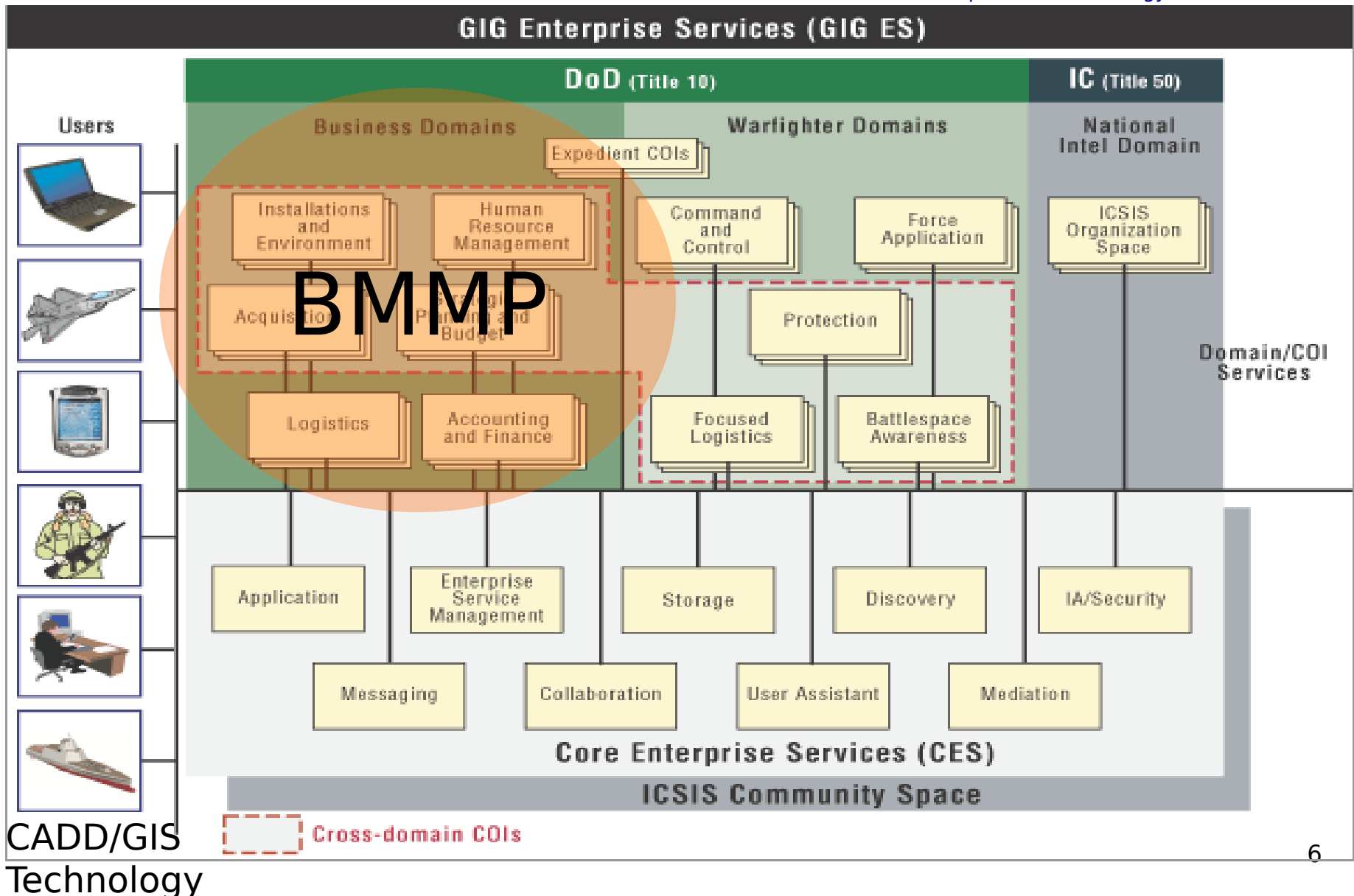
Combatant Commanders

USCENTCOM USEUCOM USPACOM USACOM

Services

Army Navy Air Force Marines

Agencies

DLA NIMA DISA

Goal: Integrate Business Processes and Supporting Systems Across the Enterprise

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Approach: Global Information Grid

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The Approach for the BMMP

Acquisition, Technology and Logistics

- The vision is realized through the development of the *Business Enterprise Architecture (BEA)*, a list of business, technical and systems requirements that create a "blueprint" for building and connecting new and existing processes and systems

- End-to-end business have been designed to provide functional business process validation

- A *transition plan* lays out the key high level tasks which must be accomplished to implement the architecture

- Activities, business rules and requirements in the architecture have been grouped by business area, or *domain*

- Domain leaders will lead the transformation and coordinate the implementation of changes consistent with the architecture in partnership with Business Modernization and System Integration (BMSI) and in accordance with the established governance model
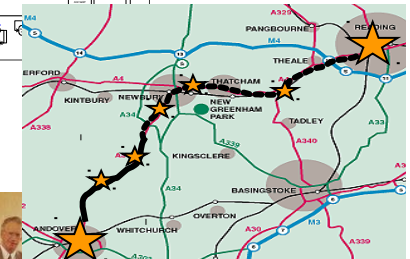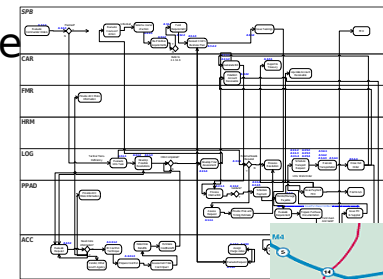
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BMMP Governance Structure

Business Domains

- OUSD(C) -- Accounting & Finance (ACC/FIN)
- OUSD(AT&L) -- Acquisition (ACQ)
- OUSD(P&R) -- Human Resources Management (HRM)
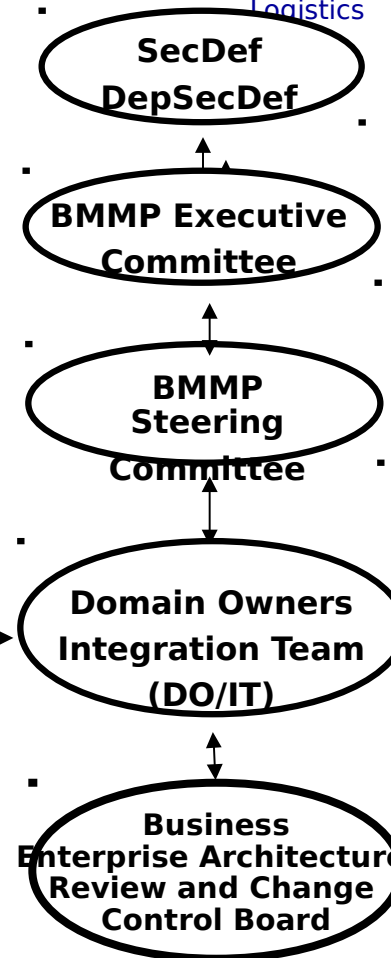- OUSD(AT&L) -- Installations & Environment (I&E)
- OUSD(AT&L) -- Logistics (LOG)
- OUSD(C) -- Strategic Planning & Budgeting (SPB)

**OASD(NII)
Enterprise Information Environment (EIE) Mission Area**

Business Modernization and Systems Integration (BMSI)

Acquisition, Technology and Logistics

- SecDef DepSecDef
- BMMP Executive Committee
- BMMP Steering Committee
- Domain Owners Integration Team (DO/IT)
- Business Enterprise Architecture Review and Change Control Board

Legend:
- = Business Domains
- = DoD Mission Areas
- = BMMP Program Office

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I&E Domain Integration w/BMMP

- BMMP Governance
  - Installations & Environment is one of six Domains
  - Domains are responsible for roll out of the Business Enterprise Architecture (BEA)
  - BMMP governance structure will enable cross-domain integration (Domain Owners Integration Group)

- I&E Domain Engagement
  - The interface between the BMMP governance structure and the Service and Agency I&E organizations
  - Collaborative oversight to develop enterprise solutions within all I&E business areas

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I&E Domain Vision and Mission

- Vision
  - Transformed world class I&E business operations enabled by integrated information solutions

- Mission
  - Support installation, environment, safety and occupational health community business transformation through collaborative:
    o Business process reengineering
    o Data management strategy
    o IT integration
    o Change management

"One Corporate Approach to I&E Community Management"

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I&E Domain Principles

- Involve I&E business process owners and management in all stages of development

- Standardize business rules, processes and data across the enterprise

- Capture and validate data once, then leverage it across the enterprise

- Use Service/Agency and industry leading practices

- Ensure that solutions are consistent and compatible with the overall DoD BEA

Business Processes Will Drive IT – Not Vice Versa

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I&E Domain Scope

The I&E Domain impacts:

- 2.4M Military and civilian employees who live, work and recreate at I&E's worldwide military bases
- $43B+ /Year in expenditures for:
  - Facility sustainment, restoration, modernization and services ($19B)
  - Base operating services ($17B)
  - Family housing ($4B)
  - Environmental services ($3B)
- $620B+ in Real Property Assets
  - 2.3 B square feet of buildings
  - 3.2 M acres
  - 6,700 sites worldwide
- 200 IT Systems … and Counting

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I&E Domain Capabilities

The I&E Domain Architecture will address the following capabilities:

- Real Property Management:
    - Real Property Inventory
    - Real Estate Administration (Leasing, etc.)
    - Space Management (Facilities, Utilization)
    - Engineering Management
    - Construction Projects
    - Real Property Planning
    - Housing Management
    - Maintenance & Operations
- Environment, Safety and Occupational Health
    - Clean-up/Restoration
    - Compliance and Monitoring
    - Pollution Prevention
    - Conservation
    - Safety and Occupational/Environmental Health
- Base Operations and Services
    - Base Operations and Services

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Domain Roles & Responsibilities

- Leading business transformation
- Establishing and maintaining a governance process to ensure representation of the Services, Defense Agencies, DoD Field Activities, and appropriate Federal agencies
- Performing system reviews and approving initiative funding as part of portfolio management
- Developing the architecture
- Enforcing compliance with the Business Enterprise Architecture (BEA) and transition plan
- Guiding execution activities
- Representing the Domain on cross-Domain issues

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I&E Domain Governance

- I&E Domain Governance Board - Established in August 2003

- Board is chaired by the DUSD(I&E)

- Members come from the Component I&E organizations

- Advisors come from support organizations or stakeholders

I&E DGB meets monthly to make decisions on architectures, business process reengineering, portfolios, and other governance issues

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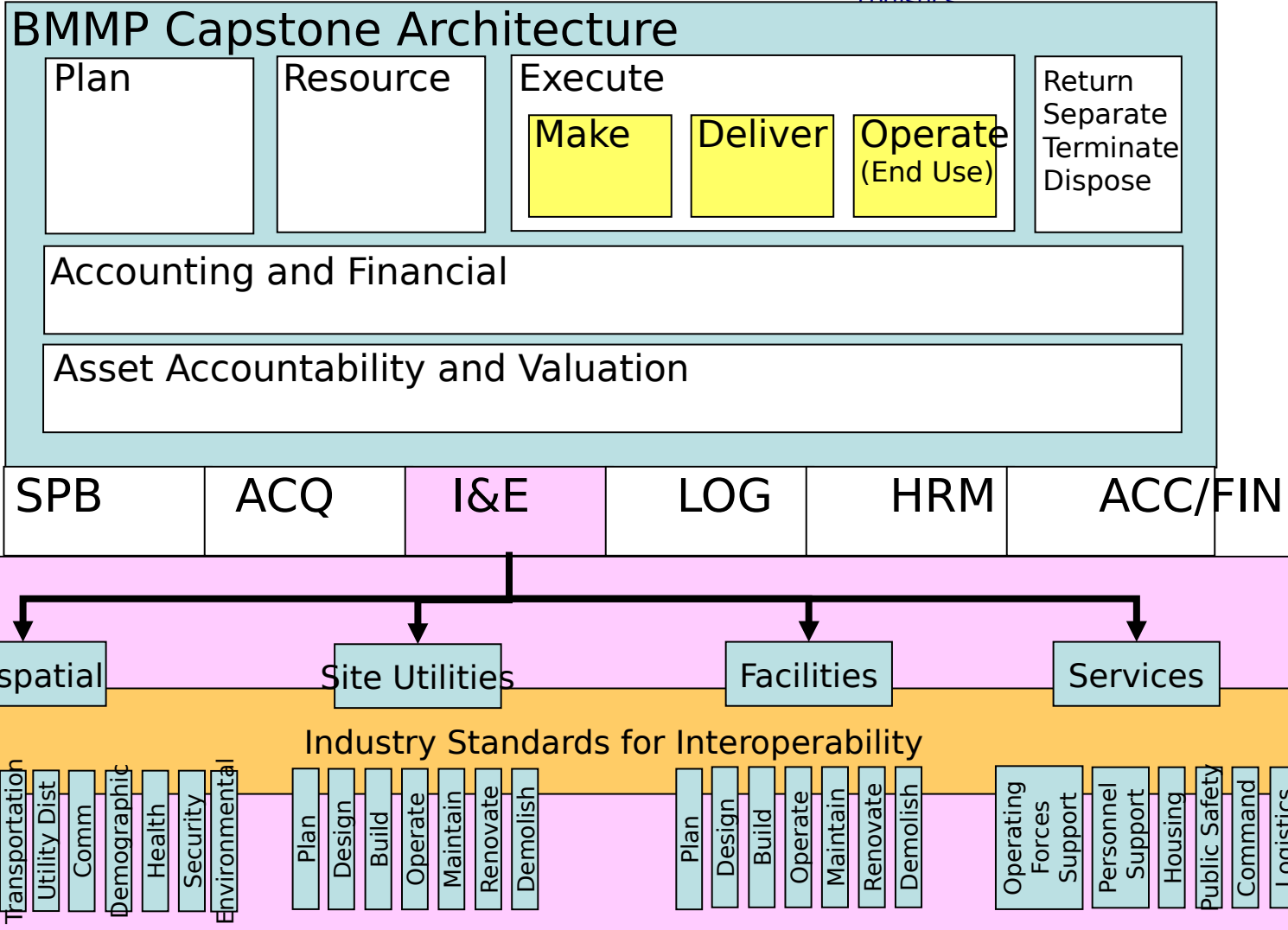
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BMMP Linking to the Industry

BMMP Capstone Architecture

Plan	Resource	Execute			Return Separate Terminate Dispose
		Make	Deliver	Operate (End Use)	

Accounting and Financial

Asset Accountability and Valuation

SPB	ACQ	I&E	LOG	HRM	ACC/FIN

Geospatial — **Site Utilities** — **Facilities** — **Services**

Industry Standards for Interoperability

Geospatial: Natural | Man-made | Political | Business | Economic | Recreation | Transportation | Utility Dist | Comm | Demographic | Health | Security | Environmental

Site Utilities: Plan | Design | Build | Operate | Maintain | Renovate | Demolish

Facilities: Plan | Design | Build | Operate | Maintain | Renovate | Demolish

Services: Operating Forces Support | Personnel Support | Housing | Public Safety | Command | Logistics | Infor Tech

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Role for CADD/GIS Technology Center

- Focus on Netcentric Enterprise Services (NCES)
  - Key on DOD GIG and BMMP Goals
  - Support development of netcentric applications
- Facilitate DOD and A/E/C Industry linkage to BMMP Capstone architecture
  - Support COTS efforts to link to architecture
- Continue supporting Standards efforts
  - Support International Alliance for Interoperability
  - Support Geospatial Data Standards
  - Support National CAD Standard
  - Support Defense Installations Spatial Data Infrastructure
    - Installation Visualization Tool (IVT)
    - Supporting Critical Infrastructure Protection (ATFP)
    - Real Property Management

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The Bottom Line

<u>I&E Business Transformation can:</u>

- Reduce or eliminate the need for data calls
- Reduce or eliminate questions about comparability of data across components
- Improve credibility of data and funding requirements to senior leaders
- Reduce total operating costs
- Reduce the burden on installation level employees

<u>Benefits:</u>

- Real Property Asset Accountability, Valuation and Visibility throughout DoD
- Enhanced decision making at all levels
- Mitigation of Financial Statement Material Weaknesses and eventually a clean audit

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Questions? Input? Assistance?

Business Management Modernization Program

BMMP

**Arming the Warfighter
Through Business Improvement**

http://www.dod.mil/comptroller/bmmp/pages/IE.htm

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Backup Slides

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  - BMMP Increment One
  - I&E Real Property Business Process Reengineering
  - Environment, Safety and Occupational Health Architecture
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FY04 I&E Domain Focus

- BMMP Increment One
  - Materiel Weaknesses
  - Asset Accountability
- Real Property Inventory (RPI) Business Process Reengineering
  - Develop end-to-end process for real property inventorying with visibility on financial triggers and accountability triggers
  - Implement data management strategy to include data standards, standard installation and site codes and real property unique identifiers
- I&E Architecture:
  - Build overarching Installation and Environment, Real Property Management, Environment, Safety & Occupational Health architecture
- Transformation Management
  - Develop IT Portfolio Management Strategy
    - o Establish a systems baseline that includes costs
    - o Identify and select IT Portfolio Management Tools
  - Develop on-going Communications and Change Management initiatives
  - Update I&E Transition Plan

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Environmental Liabilities – A Material Weakness

Environmental Management (ODUSD (I&E) EM) Responsibilities

- Complete inventory of operational ranges and munitions response sites
- Develop and maintain adequate audit trails
- Publish guidance to enable installation personnel to identify, estimate and report non-DERP environmental liabilities
- Oversee Component's mid range Financial Management

Goal: Clean audits for all environmental liabilities by 30 Sep 06

I&E Domain Responsibilities

- Extend BEA to include environmental management
- Perform Business Process Re-engineering

Goal: BPR and systems integration enabling systemic clean audits

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Real Property Valuation – A Material Weakness

Audit reports state that DoD can not properly account for and report real property

- Unreliable or unauditable valuations and asset information
- Lack of integration of financial and property systems

I&E Component Responsibilities

- Develop procedures to complete real property valuations of existing properties
- Work with auditors to obtain clean property valuation audits

I&E Domain Responsibilities

- Initiate a BPR on real property inventory focused on simplifying the inventorying process which will result in less recording errors and help to reduce duplicative reporting
- Unique identifier concept will enable financial and

Goal: BPR and systems integration enabling systemic clean audits

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Acquisition, Technology and Logistics

- Asset accountability is a focus of BMMP Increment 1

- We are developing an enterprise level process model for asset accountability that can be used for all physical assets (PP&E, Inventory and Related Materiel)

- Financially relevant rules and requirements are being associated with this process model to enable improved financial valuation

Goal: To improve asset accountability by simplifying and standardizing processes

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Imagine if…

…DoD had total asset visibility

…Decision makers could, at a click of a button, know how much administrative space they occupy in the Pacific region, how much is leased, linked to facility utilization

…Decision makers could, for any of their facilities, link location, condition, cost to maintain, cost to dispose, status of warranties, etc.

…Decision makers could identify the capital improvement history of its critical facilities and connect them to master plans

…Decision makers could view both leased and owned assets at the same time in order to make future investment decisions

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Real Property Inventory (RPI) BPR – Scope[1]

- The Real Property Inventory segment will:
- Create core data elements
- Develop standard definitions to establish business rules
- Focus on the physical, legal, and financial characteristics of the property
- Establish key processes for collecting, updating, and maintaining the inventory record
- Quantify the resources to implement the change
- Maintain the new processes, including labor, funds, materials, IT systems and support, etc.
- Establish financial reporting and tracking
- Link RPI & Environmental requirements
- Enable geospatial functions

[1] *Includes all real property assets for which DoD maintains legal interest*

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Real Property Inventory (RPI) - Objectives

- Build on strengths, minimize weaknesses, take advantage of opportunities and reduce threats as identified in the PDM Study (Aug 2001)
- Provide full visibility of all DoD Real Property assets regardless of ownership
- Provide reliable, timely, and useful core Real Property asset information both for financial reporting and management needs
- Enable consistent cross Service and Agency reporting
- Identify and confirm critical real property inventory data requirements
- Discipline the amount and standardize the meaning of information
- Minimize duplication and enhance inventory information
- Simplify the inventory process for the Real Property workforce
- Make maximum use of available resources and other completed or on-going improvement activities by incorporating, but not duplicating, those efforts

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Real Property Inventory (RPI) - Approach

- Conduct workshops to identify the "To-Be" core standard business processes and data elements with DoD Services/ Agencies to include Stakeholders with unique data elements

- Determine requirements for information and opportunities for standardization

- Examine current automated systems to determine data utilization

- Develop a common RPI data model that can accommodate the variations in Service missions

- Develop a transition plan that includes transitioning existing Service data to DoD model, and implementing guidance to effect recommended changes

- Develop performance measures that assist with assessing the health and effectiveness of inventory processes

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RPI BPR Will Include A Data Management Strategy
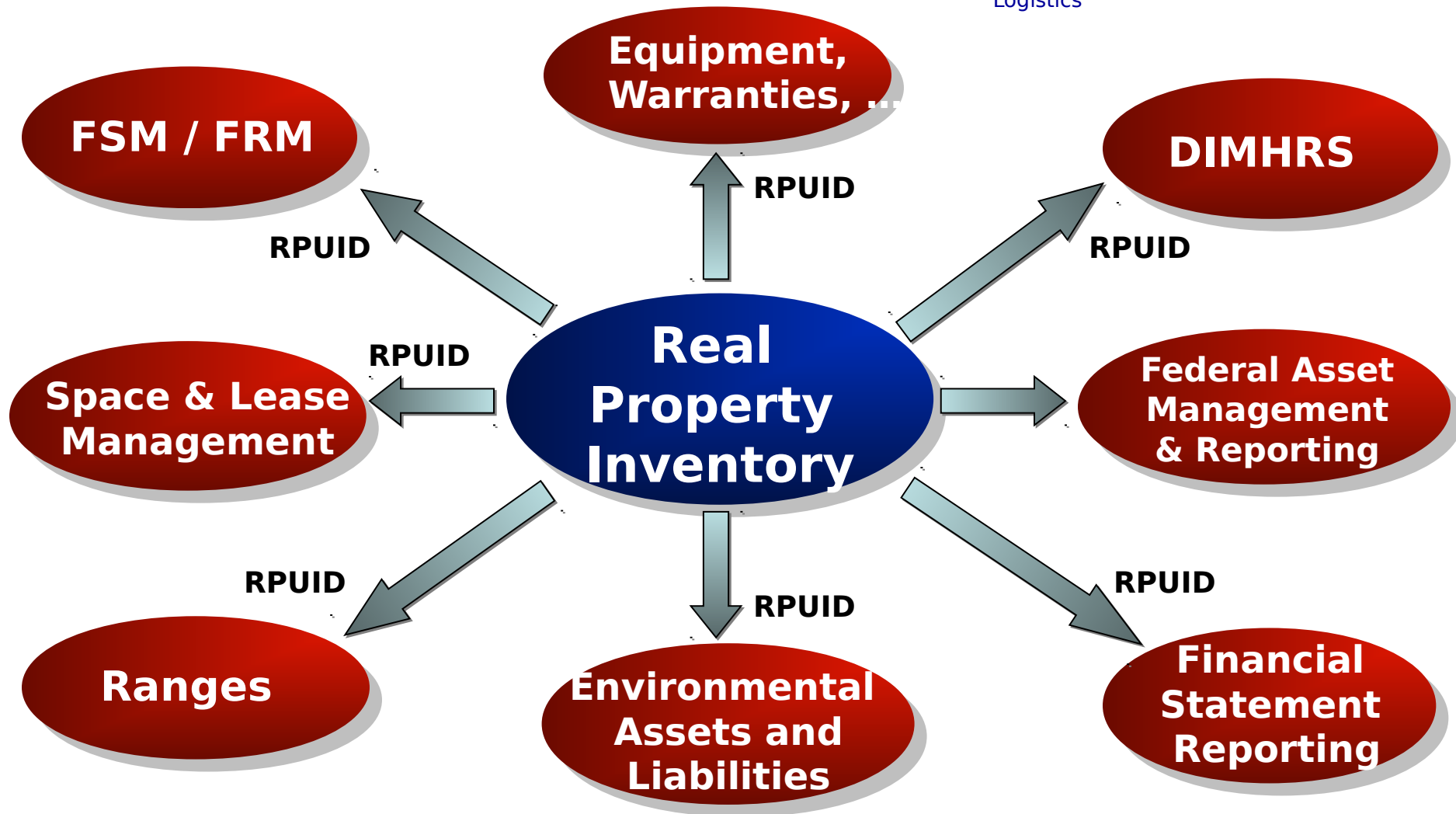
- Network Information Infrastructure (NII) Net-centric vision requires each "community of interest" to have a data management strategy

- Allows for more efficient data/information exchange

- Strategies include data definitions, standards and registries

- RPI segment work will be a natural fit to help develop the I&E Domain Data Management Strategy

- Components will remain the authoritative source for real property inventory data

- Data will be generated from one source and shared by all authorized users

- A unique identifier will be established for real property records

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Benefits of an Improved RPI with the RPUID

Equipment, Warranties, ...

FSM / FRM

DIMHRS

RPUID

RPUID

RPUID

RPUID

Real Property Inventory

Space & Lease Management

Federal Asset Management & Reporting

RPUID

RPUID

RPUID

Ranges

Environmental Assets and Liabilities

Financial Statement Reporting

All Systems Utilizing Real Property Inventory Data Will Utilize the Real Property Unique Identifier (RPUID) to Access Data

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Summary - Real Property Inventory (RPI)

- Business Process Reengineering will
  - Define core data elements
  - Establish standard definitions and codes
  - Identify standard processes for inventorying DoD-wide
  - Uniquely identify real property
  - Enable Geo-spatial capabilities

- To achieve
  - Asset inventory accountability
  - Improved quality and accuracy of DoD financial statements
  - Improved asset visibility and life cycle management
  - Data sharing by functional communities

Capitalize on Existing Strengths and Infuse Leading Practices

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ESOH Architecture

Background
- BEA V1.0 does not include ESOH Architecture
- I&E domain will provide subject matter expertise to work with BMSI to develop adequate activity-based architecture
- I&E domain will then develop a more detailed process-based architecture
- I&E activities will need to support DCFO goal to get a clean audit by 2007

Status
- Component subject matter expert (SME) interviews completed
- Draft ESOH activity model developed based on interviews
- Validation work sessions with SMEs completed
  - Built on, refined, and validated the draft ESOH activity model developed from the SME interviews.

Next Steps
- ESOH architecture will be briefed to the DGB as part of the overarching I&E architecture
- Schedule integration session with BMSI and other Domains to incorporate the ESOH activity model into the next BEA activity model update
- On track to meet our goal
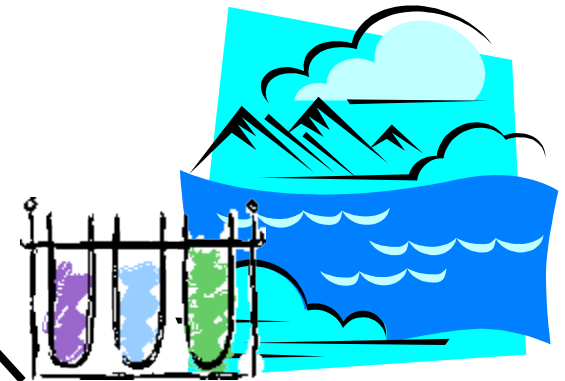
Goal: ESOH Architecture part of BEA

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What we Modeled

- We modeled the activities of our mission, not our organization.

**MISSION -- ** (the mission that would go away if we went away)

Planning	Program Mgt	Budget	HR	Acquisition	Accounting	OTHER

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Supporting Functions We Use to Conduct our Mission
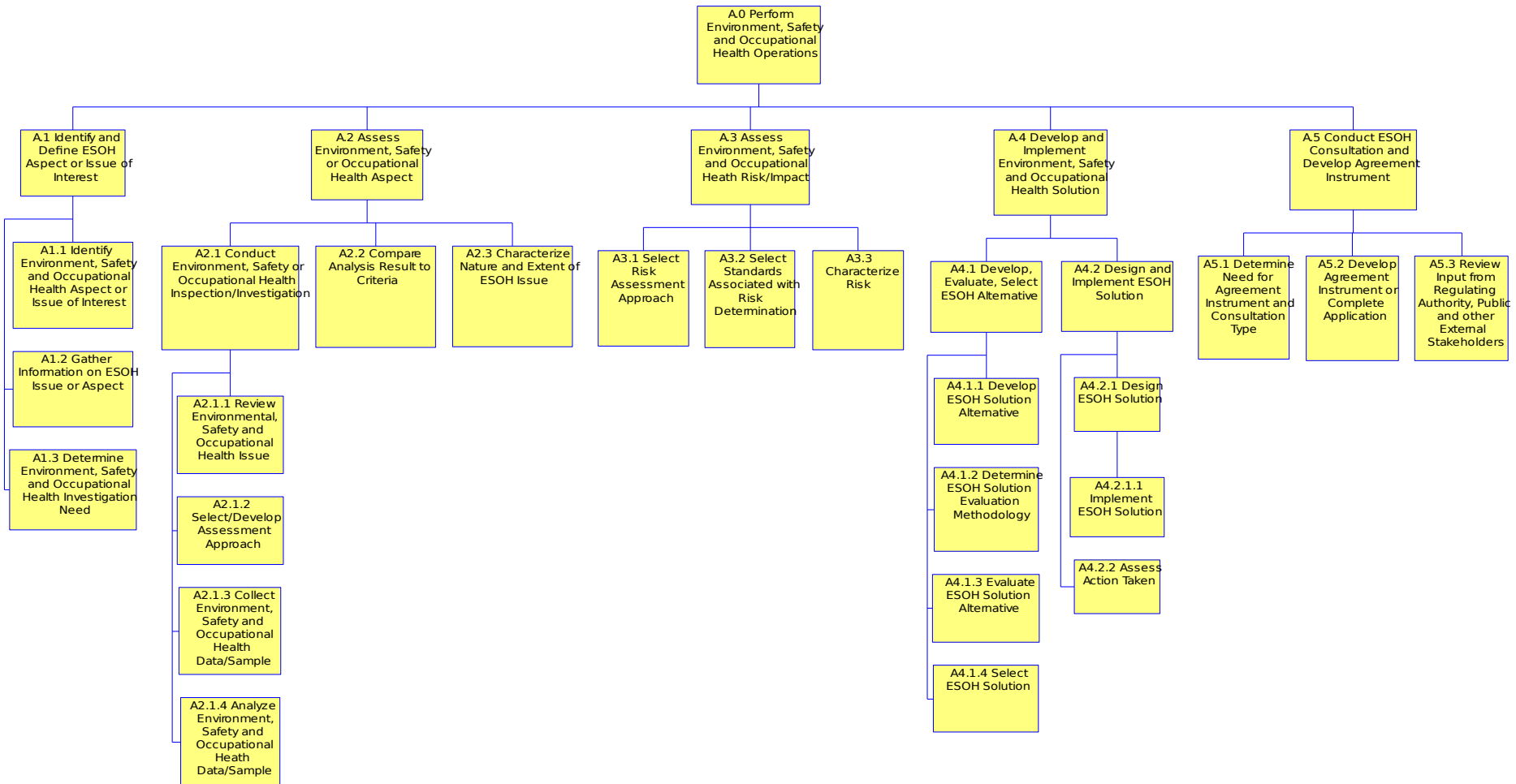
ESOH Activity Node Tree

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I&E Domain IT Portfolio Management Working Group

Acquisition, Technology and Logistics

- ## Established PfM Working Group

  (DRAFT CHARTER)

  The IT Portfolio Management Working Group (PfMG) focuses on assuring collaboration and best practices are being used for establishing and executing portfolio management within the I&E Domain and within the Components and on allowing lessons learned to be shared so that Components are successful. Deliverables and best practices resulting from this working group will be incorporated into a toolkit that the Components will be able to draw on. The group objectives are directly in support of the GIG, BMMP/BEA and the I&E Community.

- ## Developing Domain PfM Plan

- ## Participating in the Following Working Groups:
  - Networks & Information Integration (NII) Tiger Team "What is a System"
  - Single DoD IT Registry IPT
  - Compliance Working Group

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Strategy
Migration Approach from "As-Is" to "To-Be"

- Conduct a comprehensive Inventory of "As-Is" systems and applications to allow for PfM evaluations

- Develop an Architecture mature enough to provide a clear path to the "To-Be"

- Establish a Transition Plan roadmap for completing BPR of all I&E Capabilities

- Complete Business Process Reengineering for each Capability

- Develop a Migration Plan so that "As-Is" systems can be modified or replaced to meet the "To-Be"

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I&E Domain IT Portfolio Management Status

- Inventory
  - Multiple Sources (BEA SV-8, BMSI Inventory/ITR, I&E Data Calls)
  - Definitions (System, Application, Domain Identification)
  - Costs (No cost data or no separation between investment and sustainment cost)
- Architecture
  - BEA 1.0 includes Real Property Management
  - ESOH and Base Operations not included
- Transition Plan
  - Needs to be updated to include all I&E capabilities, and
  - BMMP Increment 2 and 3 decisions
- Business Process Reengineering
  - Currently reengineering the Real Property Inventory (RPI) Capability
- Migration Plan
  - RPI Capability AoA Completed by September 04

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I&E Domain IT Inventory Results to Date

	BMMP SV-8[1]	Congressional (FY03)	Current Portfolio
Army	74	101	176
Navy	30	11	24
Marines	*	*	8
Air Force	21	15	76
DLA	2	3	7
TMA	2	1	4
WHS	0	0	9
OSD	**	**	7
Other ***	6	6	11
Totals	135	137	322

1   SV 8 is the Systems Evolution Description that describes plans for migrating or evolving a system or suite of systems over time.

*   Included in Navy totals as a DON submission.

**   Environmental systems funded by DoD and operated by Army (ARMIS)

***   Other indicates systems that are still under review as to origin of ownership (DFAS and No Owner indicated on Inventory)

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